



Workers' Compensation **REFORMS**

Advisory Committee on Healthcare Innovations & Evaluations (ACHIEV)

COHE Metrics & Oversight

April 24, 2014



Stay at Work Program ■ Medical Provider Network ■ COHE Expansion
Structured Settlement Agreements ■ More Fraud Prevention
Performance Audit ■ SHIP Grants ■ Rainy Day Fund

www.WorkersCompReforms.Lni.wa.gov



Washington State Department of
Labor & Industries



Presentation Overview

Background: COHE Evaluation Results

Oversight

Performance Monitoring

Report Samples

Future Direction

COHE Program Report, March 2014

Q&A



Background: COHE Evaluation Results

Analysis shows COHE associated with:

- **4.1 day** reduction in time loss per claim
- Net savings per claim in the first year: **\$480**
 - **\$347** reduction in time loss payments per claim
 - **\$245** reduction in medical costs per claim
 - **\$112** average cost to deliver services per claim
- Estimated ultimate savings per claim: **approximately \$1,600**

Improving quality, preventing disability and reducing costs in workers' compensation healthcare: A population-based intervention study
Wickizer, T.M., Franklin, G., Fulton-Kehoe, D., Gluck, J., Mootz, R., Smith-Weller, T.,
Plaeger-Brockway, R.
(2011) *Medical Care*, 49 (12), pp. 1105-1111.



Oversight

- Regional Business and Labor Advisory Boards
 - Ensure community support and input
 - Assist the COHEs in improving the quality and scope of their services
 - Monitor key performance indicators

- Advisory Committee on Healthcare Innovations & Evaluations (ACHIEV)



Performance Monitoring

- End reliance on formal evaluation
- Focus on quality improvement
 - Need timely, actionable information
 - Quarterly performance measure reports for providers, COHEs, program



Performance Monitoring (continued)

- Performance reports produced by L&I every quarter:
 - Program Level
 - COHE Level
 - Provider Level

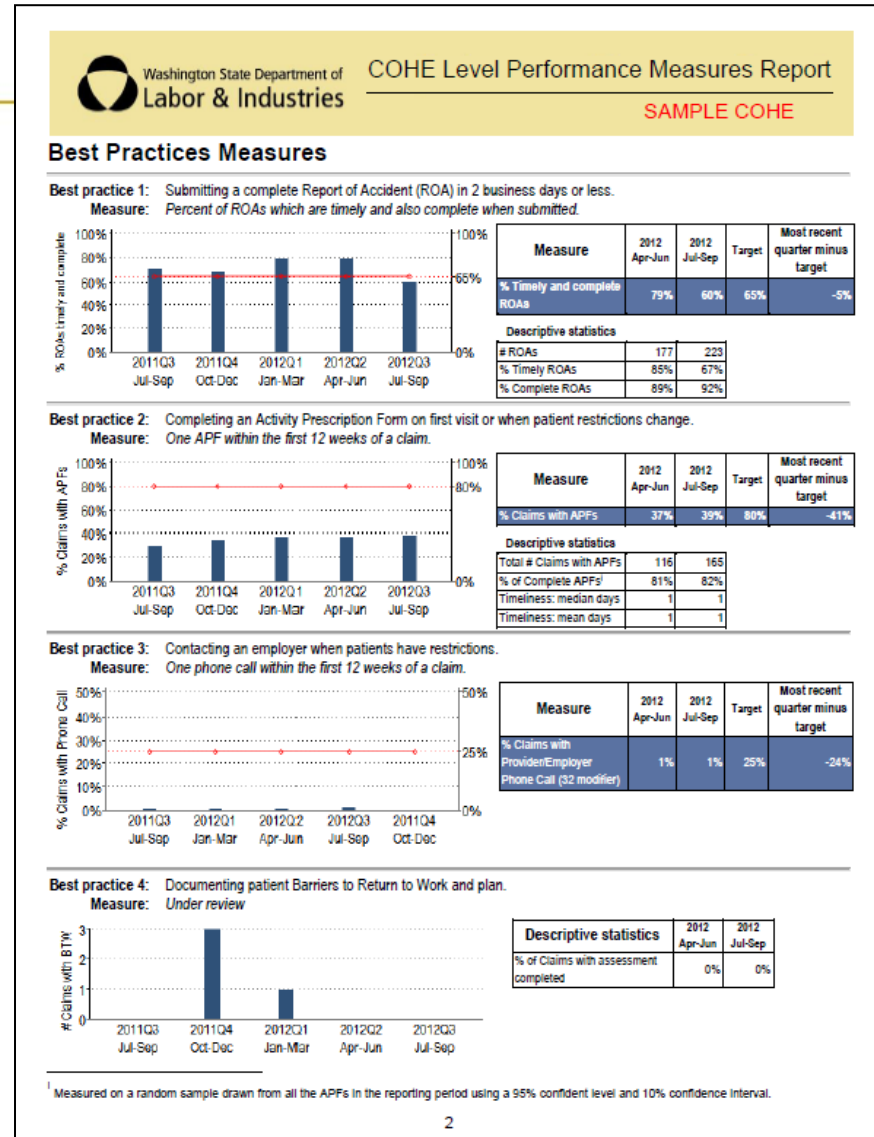
- COHE Best Practices:
 - Timely & complete Reports of Accident (ROAs): **65%**
 - Use of Activity Prescription Forms (APFs): **80%**
 - Employer communication regarding work restrictions: **25%**
 - Documenting barriers to return to work: **No target (yet)**



COHE Expansion Workers' Compensation REFORMS

COHE Level Quarterly Performance Report:

- Roll up of provider performance
- Includes historical data
- Data on best practices, claim volume, HSC work, & comparison with non-COHE claims





COHE Expansion Workers' Compensation REFORMS

Provider Level Performance Report:

- Produced quarterly
- Data on best practices and claim volume
- Compares each provider with all COHE providers, same provider type, & other providers in their clinic



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Provider Level Performance Measures Report

SAMPLE COHE

Comparison group: Primary Care

Provider group or clinic: Clinic

April through June 2012

This report

This report is a summary of best practice performance measures and descriptive statistics. The measures and statistics were calculated with claim and billing data available in L&I's data warehouse as of March 31, 2013. The Report of Accident measure has been made more stringent and now requires the ROA to be timely AND complete. The target has been changed from 80 to 65 percent.

Best Practice Measure of Most Recent Quarter: April through June 2012

	BP Adoption	Best Practice 1 % ROAs timely and complete	Best Practice 2 % Claims with APFs	Best Practice 3 % Claims with Provider Employer Phone Call (32 modifier)	Best Practice 4 % of Claims with assessment completed
Target	80% High or Medium	65%	80%	25%	Will be established 6/30/13
COHE ALL PROVIDERS	31%	61%	89%	9%	0%
COHE PRIMARY CARE	26%	66%	81%	7%	0%
Provider A	Low	NA	100%	0%	0%
Provider B	Low	0%	100%	0%	0%
Provider C	Low	60%	95%	5%	0%
Provider D	Medium	NA	NA	NA	0%
Provider E	Medium	NA	NA	NA	0%
Provider F	Medium	NA	NA	NA	0%
Provider G	Medium	NA	100%	100%	0%

Descriptive Statistics for Most Recent Quarter: April through June 2012

Provider	# Claims	# Time-loss claims	# ROAs	% Timely ROAs	% Complete ROAs	# Claims with APFs
COHE ALL PROVIDERS	2300	804	653	80%	82%	1430
COHE PRIMARY CARE	682	208	271	79%	76%	505
Provider A	1	0		NA	NA	1
Provider B	9	3	1	0%	0%	7
Provider C	19	2	10	80%	70%	18
Provider D	2	1		NA	NA	
Provider E	1	1		NA	NA	
Provider F	1	1		NA	NA	
Provider G	1	0		NA	NA	1



Future direction

- Tracking system: Occupational Health Management System (OHMS)
 - Implemented July 2013
 - Continuous development through 2015
 - Initial functions support COHE Health Services Coordinators
 - Will eventually produce COHE reports



COHE Program Level Report

March 2014



Executive Summary

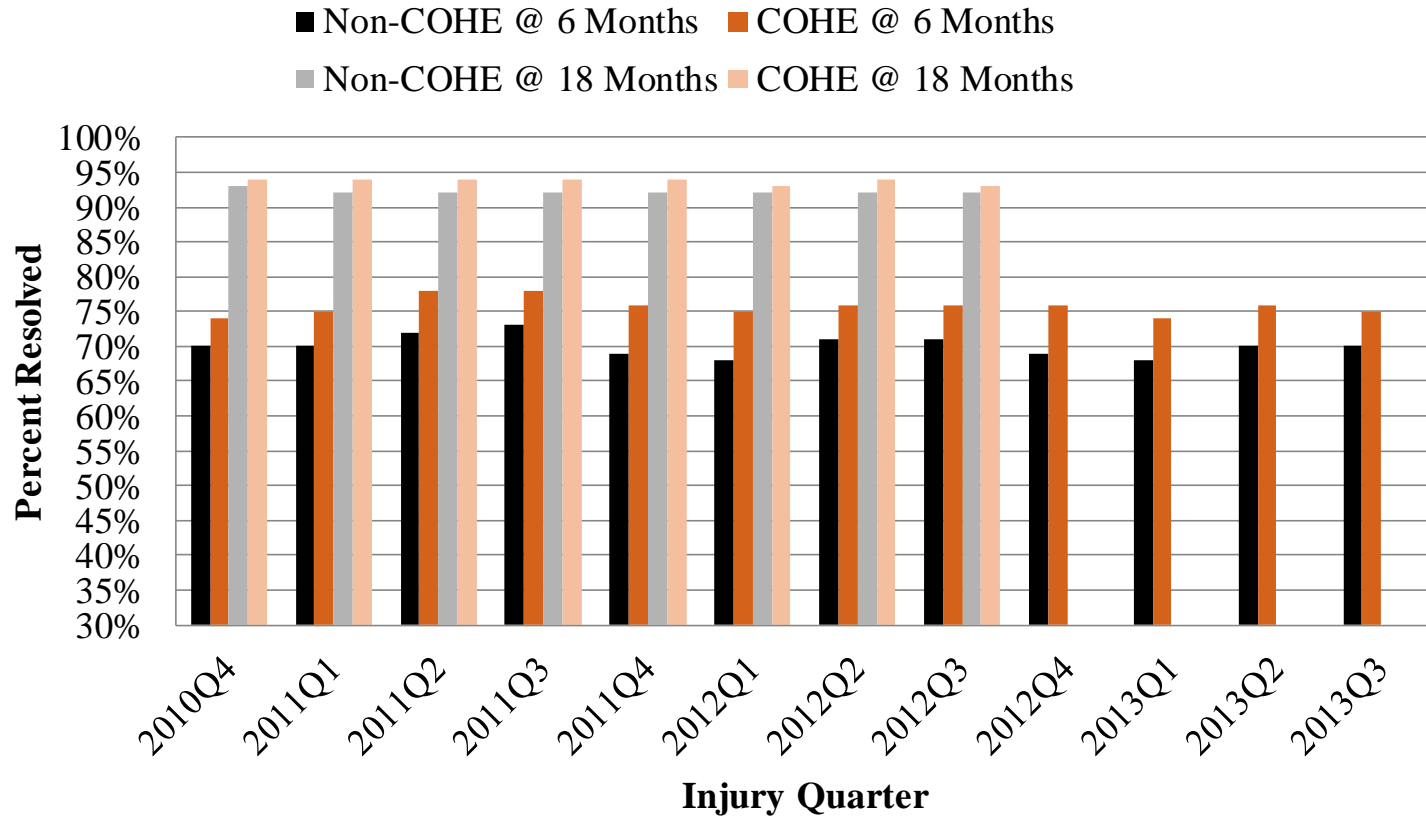
- **Claims treated by COHE providers resolve faster than other claims:**
 - Faster resolution may be due to COHE best practices preventing some medical-only claims from becoming time-loss. (Wickizer, et al., 2007.)
 - The difference in claim resolution rates is most pronounced when looking at all claims. The average resolution rate of COHE claims at 6 and 18 months is notably higher than non-COHE claims.
 - When looking at time-loss claims, treatment by COHE providers still shows benefit, especially in terms of early resolution, but the difference is less prominent.
 - The time-loss days paid measure further reinforces faster COHE claim resolution.
- **The majority of COHE providers are high & medium adopters of COHE Best Practices (BP):** Currently 66% of COHE providers are high and medium adopters. COHEs are striving to improve the adoption rate to 80%.

Notes:

- For this analysis, a COHE claim is one initiated by a COHE provider.
- All COHEs began new contracts in July 2013. There are now six COHEs, when previously there were four. Therefore data from this report is not directly comparable to previous reports.

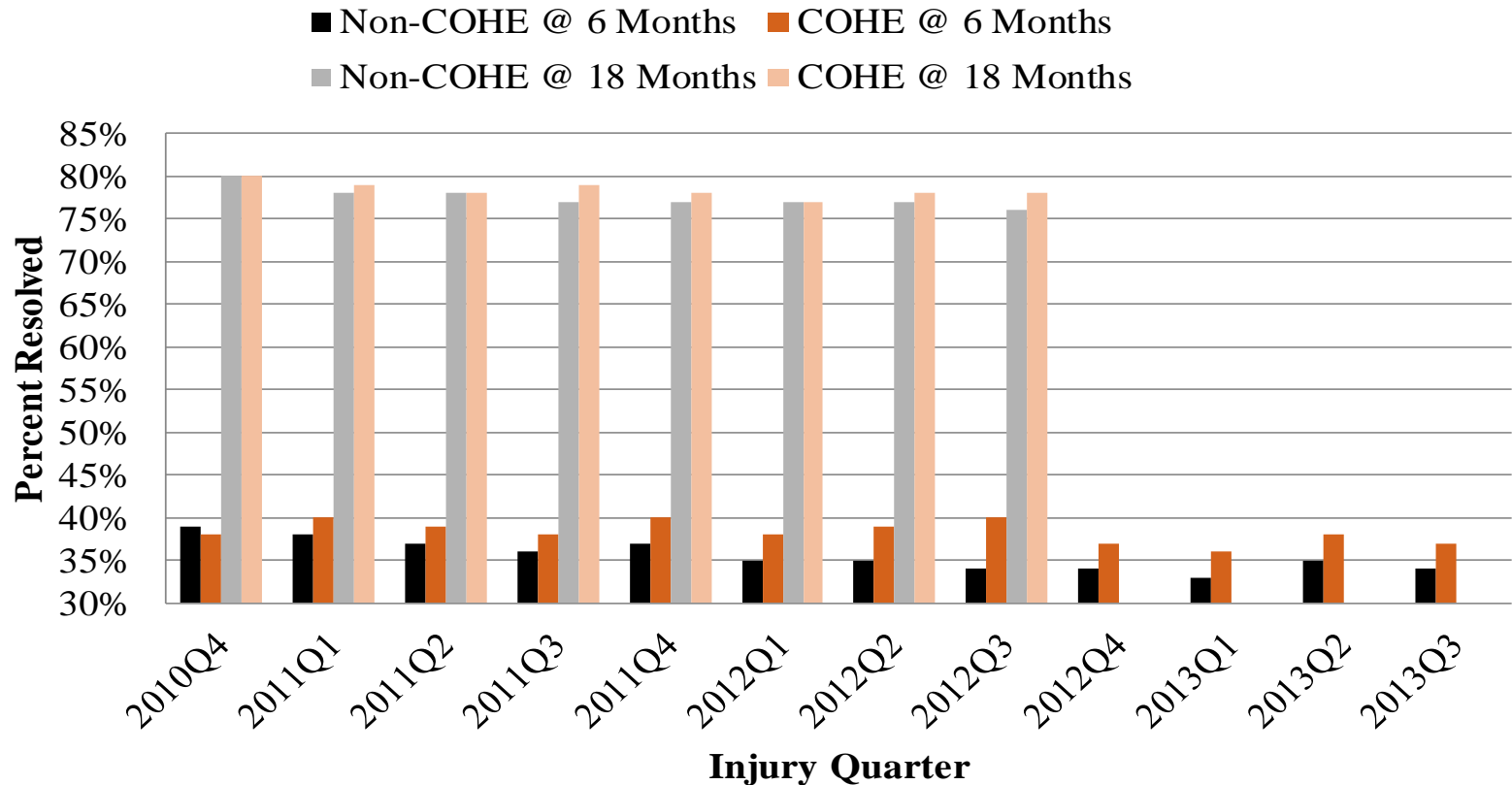
Resolution: All Claims

Percent Resolved at 6 and 18 Months



Resolution: Time-loss Claims

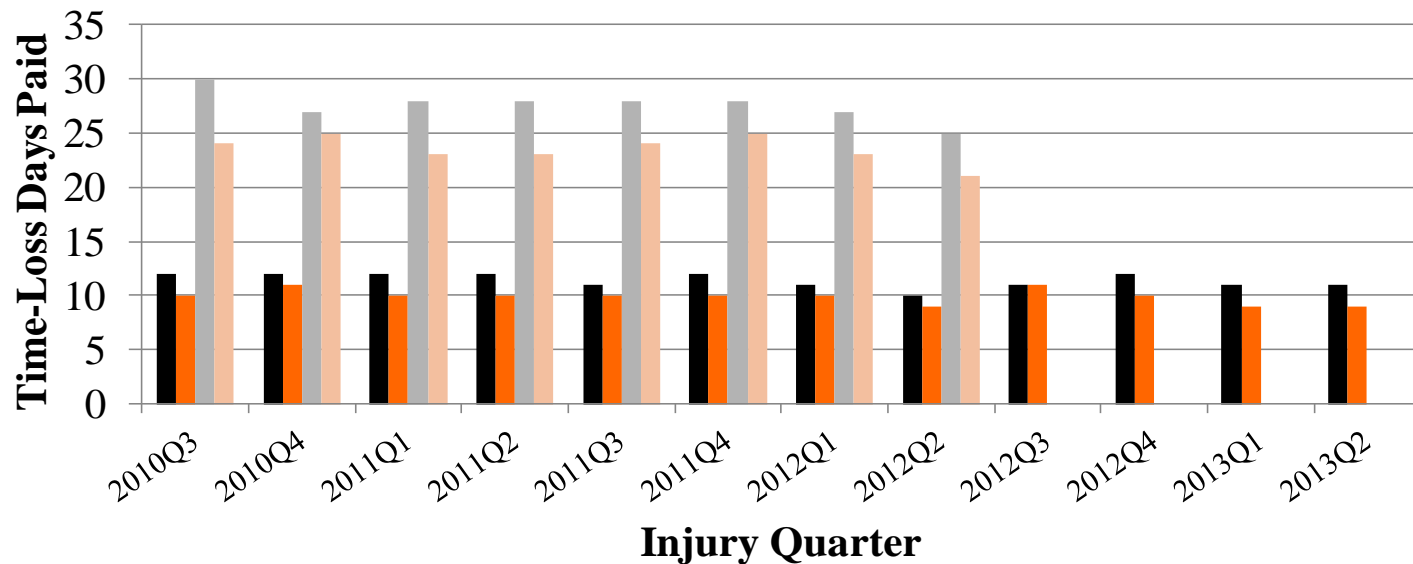
Percent Resolved at 6 and 18 Months



Time-loss Days Paid

All Claims, Average at 6 and 18 Months

■ Non-COHE Avg Tl days @ 6 mo per claim ■ COHE Avg Tl days @ 6 mo per claim
■ Non-COHE Avg Tl days @ 18 mo per clm ■ COHE Avg Tl days @ 18 mo per clm

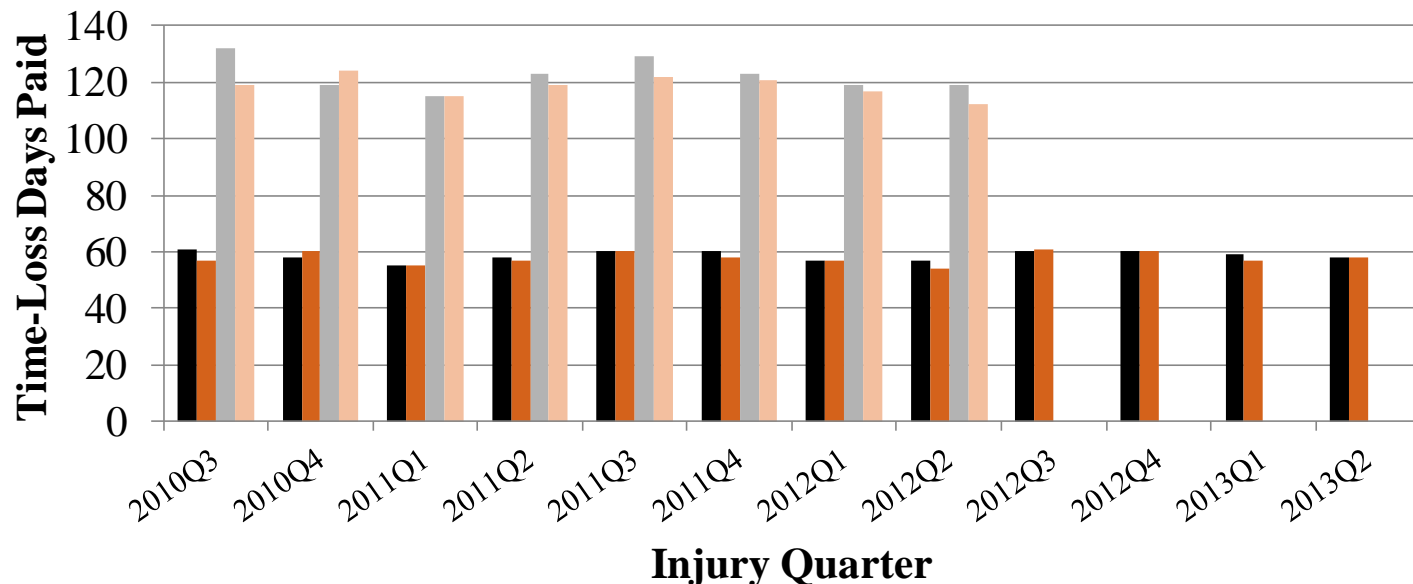


Note: The time-loss days paid measure requires one additional quarters lag than the resolution measure.

Time-loss Days Paid

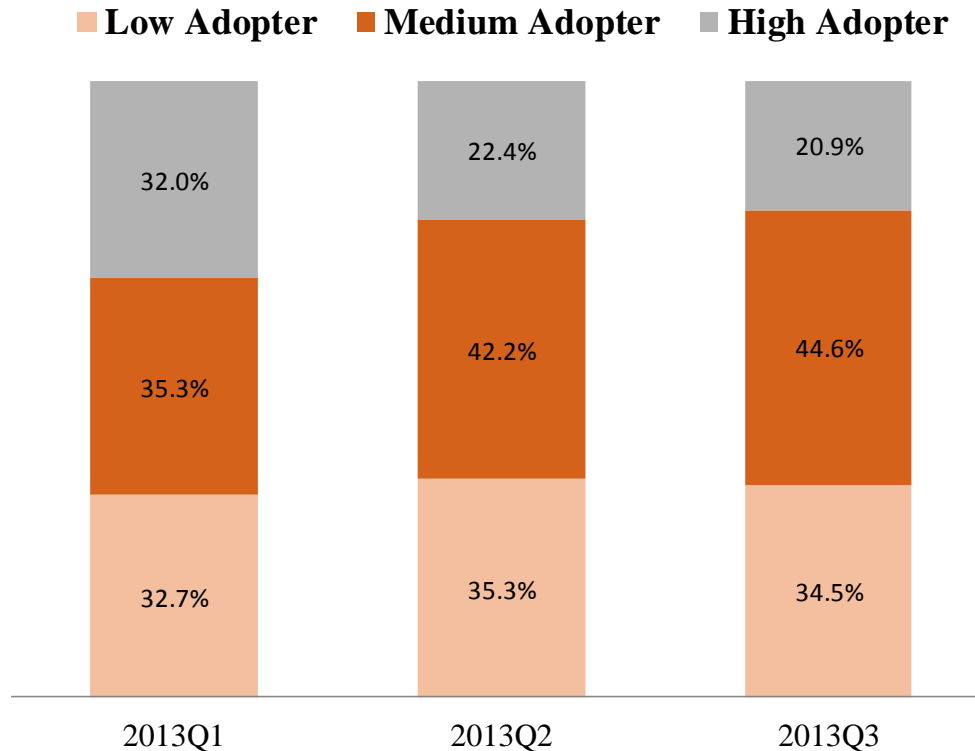
Time-loss Claims, Average at 6 and 18 Months

- Non-COHE Avg TL days @ 6 mo per TL clm
- COHE Avg TL days @ 6 mo per TL clm
- Non-COHE Avg Tl days @ 18 mo per TL clm
- COHE Avg Tl days @ 18 mo per TL clm



Note: The time-loss days paid measure requires one additional quarters lag than the resolution measure.

Provider Adoption of COHE Practices



Provider Counts*

2013Q1

1,326

2013Q2

1,203

2013Q3

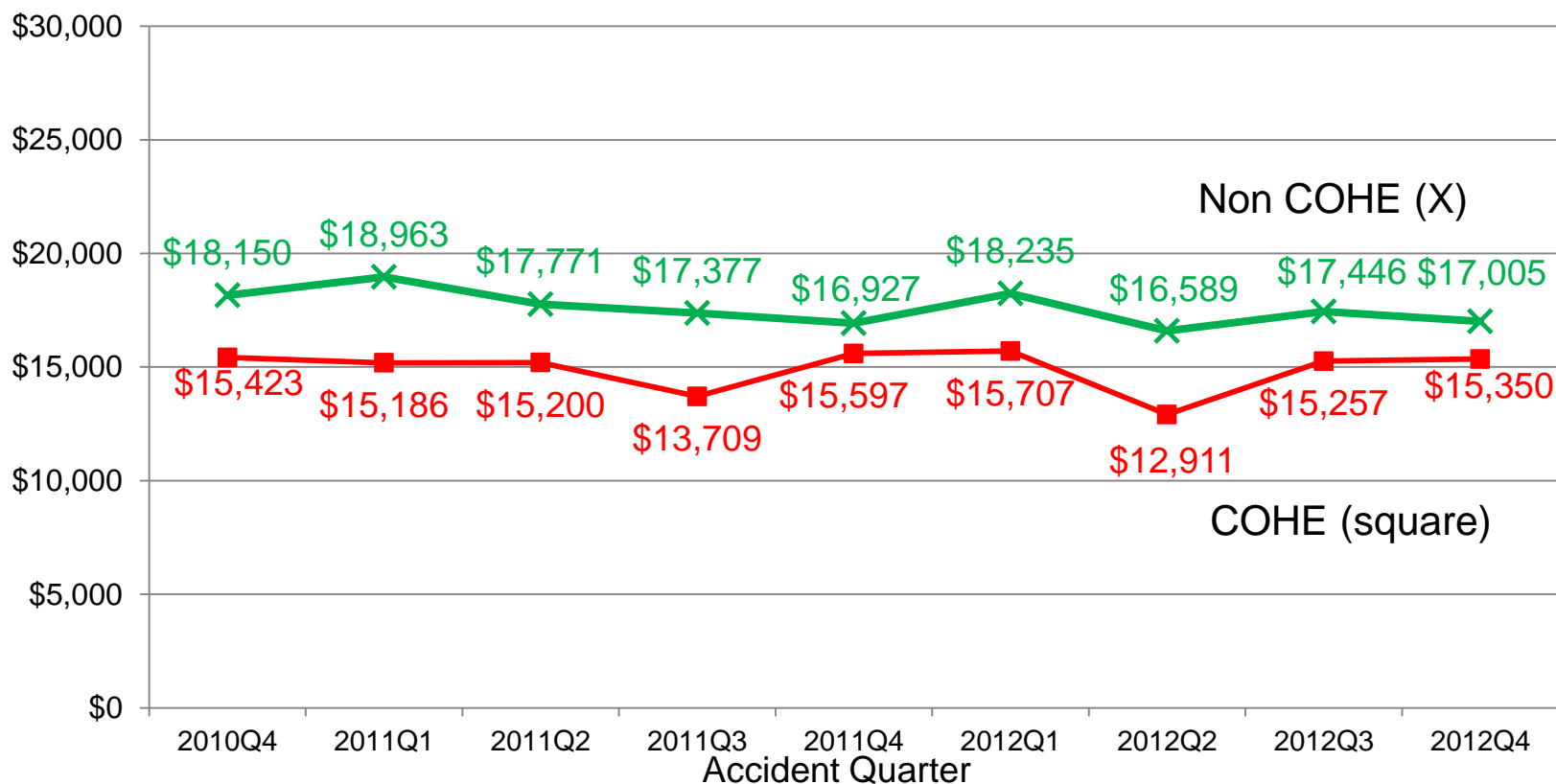
1,416

* Provider adoption is measured for each provider clinic combination



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Estimated Ultimate Accident Fund and Medical Aid Fund Incurred Cost per Claim as of 9/30/13



Excluding claims with 4+ days of authorized inpatient hospitalization immediately after injury - Adjusted for Risk

Methods:

☐ Resolution - Percent of Time-loss Claims at 6 and 18 months that are resolved.

- Method: Use the LDS paid-to-date table to identify claims for injury quarters limit to eval ages= 6(18) months. The percent resolved =

$$\frac{N \text{ closed at 6(18) months}}{N \text{ closed} + N \text{ not closed at 6(18) months}}$$

The time-loss group is currently defined using actuarial status codes 1-Fatal, 2-TPD 3-PPD, 4-TL, 5-Miscellaneous, 8-KOS. The *All Claims* group is identified using actuarial status codes 1 - 8. **Important note:** These resolution rates are not directly comparable with claims operational data.

☐ Time-loss - Average days paid at 6 and 18 months COHE vs. Non-COHE

- Method: Divide groups into COHE/Non-COHE based on whether the initiating provider is a COHE provider. Sum the number of days paid on each claim at 6 and 18 months (used 180 and 540 days). LEP days are included in the count of time-loss days.
 - The average time-loss per claim was calculated as:
 - The average days paid per-time-loss claim was calculated as:

$$\frac{\text{Total days paid at 6 (or 18) months}}{\text{Number of claims in the injury quarter}}$$

$$\frac{\text{Total days paid at 6 (or 18) months}}{\text{Number of claims in the injury qtr with time - loss paid at 6(or 18) months}}$$

☐ Provider Adoption of COHE Practices

- Method: Aggregate data reported and documented in the COHE level reports. Providers are counted in each distinct COHE/Provider Group/Comparison Group/Provider Name combination that they practice in.

Best Practices:

Complete ROA in 2 business days or less; Activity Prescription Form at first visit & when restrictions change; Contacting an employer when worker has restrictions; and Completing a Barriers to Return to Work Assessment when barriers exist.





Questions & Answers